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State/Territory Name: Nevada

State Plan Amendment (SPA)#: 24-0031

This file contains the following documents in the order listed

- 1) Approval Letter
- 2) CMS 179 Form
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-14-26
Baltimore, Maryland 21244-1850



Medicaid Benefits and Health Programs Group

March 6, 2025

Stacie Weeks, Administrator
Department of Health and Human Services
DHCFP/Medicaid
1100 East Williams Street, Suite 101
Carson City, NV 89701

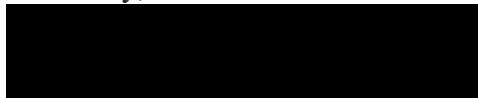
Dear Stacie Weeks,

We have reviewed Nevada's State Plan Amendment (SPA) 24-0031 received in the Centers for Medicare and Medicaid Services (CMS) OneMAC application on December 27, 2024. This amendment authorizes the state to enter into value-based supplemental drug rebate agreements.

Based on the information provided and consistent with the regulations at 42 CFR 430.20, we are pleased to inform you that NV-24-0031 is approved with an effective date of January 1, 2025.

We are attaching a copy of the signed CMS-179 form, as well as the pages approved for incorporation into the Nevada state plan. If you have any questions regarding this amendment, please contact Michael Forman at michael.forman@cms.hhs.gov.

Sincerely,



Cynthia R. Denemark, R.Ph.
Director, Division of Pharmacy

cc: Richard Whitley, NV Division of Health Care Financing and Policy/Medicaid
Cynthia Leech, NV Division of Health Care Financing and Policy/Medicaid
Cindy Kirste, NV Division of Health Care Financing and Policy/Medicaid
Keiko Duncan, NV Division of Health Care Financing and Policy/Medicaid
Antonio Brown, NV Division of Health Care Financing and Policy/Medicaid
Bonnie Palomino, NV Division of Health Care Financing and Policy/Medicaid
Jenifer Graham, NV Division of Health Care Financing and Policy/Medicaid
Cecilia Williams, CMS, Medicaid and CHIP Operations Group

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER

2 4 — 0 0 3 1

2. STATE

NV3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL
SECURITY ACT

XIX



XXI

TO: CENTER DIRECTOR
CENTERS FOR MEDICAID & CHIP SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

January 1, 2025

5. FEDERAL STATUTE/REGULATION CITATION

42 U.S. Code § 1396r-8 and 42 CFR 447

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 2025 \$ 0b. FFY 2026 \$ 0

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 3.1-A, Page 5b and 5b.1

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (If Applicable)

Attachment 3.1-A, Page 5b

9. SUBJECT OF AMENDMENT

To allow Nevada to enter into Value-Based Purchasing (VBP) Arrangements on a voluntary basis with drug manufacturers.

10. GOVERNOR'S REVIEW (Check One)



GOVERNOR'S OFFICE REPORTED NO COMMENT



COMMENTS OF GOVERNOR'S OFFICE ENCLOSED



NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL



OTHER, AS SPECIFIED:

OFFICIAL

12. TYPED NAME
RICHARD WHITLEY13. TITLE
DIRECTOR, DHHS14. DATE SUBMITTED
December 27, 2024

15. RETURN TO

Cynthia Leech, Compliance Agency Manager
DHCFP/Medicaid
1100 East William Street, Suite 101
Carson City, NV 89701**FOR CMS USE ONLY**16. DATE RECEIVED
December 27, 202417. DATE APPROVED
March 6, 2025**PLAN APPROVED - ONE COPY ATTACHED**18. EFFECTIVE DATE OF APPROVED MATERIAL
January 1, 2025

19. SIGNATURE OF APPR

20. TYPED NAME OF APPROVING OFFICIAL
Cynthia R. Denemark21. TITLE OF APPROVING OFFICIAL
Director, Division of Pharmacy

22. REMARKS

3. The State will not pay for covered outpatients' drugs of a non-participating manufacturer, except for drugs rated "1-A" by the FDA. If such a medication is essential to the health of a recipient and a physician has obtained approval for use of the drugs in advance of its dispensing, it may be covered by the program pursuant to Section 1927(a)(3).
4. The Medicaid program restricts coverage of certain covered outpatient drugs through the operation of a prior authorization program. The prior authorization process provides for a turn-around response by either telephone or other telecommunications device within twenty-four hours of receipt of a prior authorization request. In emergency situations, providers may dispense at least a seventy-two-hour supply of medication in accordance with the provisions of §1927 (d)(5) of the (SSA).
5. Pursuant to 42 U.S.C. Section 1396r-8, the state is establishing a preferred drug list with prior authorization for drugs not included on the preferred drug list. The state, or the state in consultation with a contractor, may negotiate supplemental rebate agreements that will reclassify any drug not designated as preferred in the baseline listing for as long as the agreement is in effect.
6. Pursuant to Section 1927(d)(6), the State has established a maximum quantity of medication per prescription as a 34-day supply; maintenance drugs per prescription as a 100-day (three month) supply; and contraceptives per prescription as a 12-month supply.
 - a. In those cases where less than a 30-day supply of maintenance drug is dispensed without reasonable medical justification, the professional fee may be disallowed.
 - b. In nursing facilities if the prescriber fails to indicate the duration of therapy for maintenance drug, the pharmacy must estimate and provide at least a 30-day supply.
7. The state will meet the requirements of Section 1927 of the SSA. Based on the requirements for Section 1927 of the act, the state has the following policies for the supplemental rebate program for Medicaid recipients:
 - a. CMS has authorized the State of Nevada to enter into direct agreements with pharmaceutical manufacturers for a supplemental drug rebate program. The supplemental rebate agreement effective July 1, 2014 amends the original, January 1, 2012 version, which is effective through their expiration dates. Additionally, the State may enter into value-based contracts with pharmaceutical manufacturers on a voluntary basis. Such contracts will be executed on the model agreement entitled "Value-Based Supplemental Rebate Agreement" submitted to CMS on December 27, 2024 and authorized for use effective January 1, 2025.
 - b. CMS has authorized the State of Nevada to enter into the Michigan multi-state pooling agreement (MMSPA) also referred as the National Medicaid Pooling Initiative (NMPI) for drugs provided to Medicaid beneficiaries. The NMPI Supplemental Rebate Agreement (SRA) was submitted to CMS on March 30, 2022 and has been reviewed and authorized by CMS.
 - c. Supplemental rebates received by the State under these agreements by the State that are in excess of those required under the national drug rebate agreement will be shared with the federal government on the same percentage basis as applied under the national rebate agreement.

- d. All drugs covered by the program, irrespective of a supplemental agreement, will comply with provisions of the national drug rebate agreement.
- e. The unit rebate amount is confidential and cannot be disclosed for purposes other than rebate invoicing and verification, in accordance with Section 1927 (b)(3)(D).
- f. Acceptance of supplemental rebates for products covered in the Medicaid program does not exclude the manufacturers' product(s) from prior authorization or other utilization management requirements.
- g. Rebates paid under CMS-approved Supplemental Rebate Agreement for the Nevada Medicaid population does not affect AMP or best price under the Medicaid program.
- h. Rebates paid under CMS-approved Supplemental Rebate Agreement for the Nevada Medicaid population does not affect AMP or best price under the Medicaid program.